

Form **8689**Department of the Treasury
Internal Revenue Service**Allocation of Individual Income Tax
to the Virgin Islands**

► Attach to Form 1040.

OMB No. 1545-0074

2005Attachment
Sequence No. **85**

Name(s) shown on Form 1040

Your social security number

Part I Income From the Virgin Islands

1	Wages, salaries, tips, etc.	1		
2	Taxable interest	2		
3	Ordinary dividends	3		
4	Taxable refunds, credits, or offsets of local Virgin Islands taxes	4		
5	Alimony received	5		
6	Business income or (loss)	6		
7	Capital gain or (loss)	7		
8	Other gains or (losses)	8		
9	IRA distributions (taxable amount)	9		
10	Pensions and annuities (taxable amount)	10		
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc.	11		
12	Farm income or (loss)	12		
13	Unemployment compensation	13		
14	Social security benefits (taxable amount)	14		
15	Other income. List type and amount. ►	15		
16	Add lines 1 through 15. This is your total income ►	16		

Part II Adjusted Gross Income From the Virgin Islands

17	Educator expenses	17			
18	Certain business expenses of reservists, performing artists, and fee-basis government officials	18			
19	Health savings account deduction	19			
20	Moving expenses	20			
21	One-half of self-employment tax	21			
22	Self-employed SEP, SIMPLE, and qualified plans	22			
23	Self-employed health insurance deduction	23			
24	Penalty on early withdrawal of savings	24			
25	IRA deduction	25			
26	Student loan interest deduction	26			
27	Tuition and fees deduction	27			
28	Add lines 17 through 27	28			
29	Subtract line 28 from line 16. This is your adjusted gross income ►	29			

Part III Allocation of Tax to the Virgin Islands

30	Enter amount from Form 1040, line 63	30		
31	Enter the total of the amounts from Form 1040, lines 58, 59, 62, 66a, and 68. Include any uncollected social security and Medicare or tier 1 RRTA tax, tax on golden parachute payments, or excise tax on insider stock compensation reported on line 63. Also include any amount from Form 5329, Parts III, IV, V, VI, VII, or VIII reported on line 60	31		
32	Subtract line 31 from line 30	32		
33	Enter amount from Form 1040, line 38	33		
34	Divide line 29 above by line 33. Enter the result as a decimal (rounded to at least 3 places). Do not enter more than 1.000.	34	×	.
35	Multiply line 32 by line 34. This is your tax allocated to the Virgin Islands	35		

Part IV Payments of Income Tax to the Virgin Islands

36	Income tax withheld by the Virgin Islands	36			
37	2005 estimated tax payments and amount applied from 2004 return	37			
38	Amount paid with Form 4868 (extension request)	38			
39	Add lines 36 through 38. These are your total payments ►	39			
40	Enter the smaller of line 35 or line 39. Also, include this amount in the total on Form 1040, line 71. On the dotted line next to line 71, enter "Form 8689" and show this amount	40			
41	Overpayment to the Virgin Islands. If line 39 is more than line 35, subtract line 35 from line 39	41			
42	Amount of line 41 you want refunded to you ►	42			
43	Amount of line 41 you want applied to your 2006 estimated tax ►	43			
44	Amount you owe to the Virgin Islands. Subtract line 39 from line 35. Enter the amount that you are paying here and on Form 1040, line 71. Next to line 71, enter "Form 8689" and the amount paid ►	44			